

PRODUCT VALUE ASSESSMENT & TARGET MARKET STATEMENT



Commercial Combined

Introduction

The purpose of this document is to provide clear information about our product, including our annual review process and outcomes, our target market and how our products are distributed.

All our products are reviewed on an annual basis and we are pleased to provide further information about our **Product Approvals Process** on our website.

Product Information

The Commercial Combined policy is Contents led and there are 13 optional sections of cover available.

The product is modular based so the customer can select the coverage applicable to their needs.

The complete cover available under this product is listed below, only Section 1 is mandatory:

- Section 1: Material Damage
- Section 2: Business Interruption
- Section 3: Goods In Transit
- Section 4: Loss of Business Money
- Section 5: Personal Accident (Assault)
- Section 6: Employers' Liability
- Section 7: Public Liability
- Section 8: Product Liability
- Section 9: Specified All Risks
- Section 10: Refrigerated Stock
- Section 11: Loss of Licence
- Section 12: Commercial Legal Expenses

All customers using this product benefit from:

- Several 24-hour helpline services are available for all customers for their business and employees including business assistance following premises damage or glass breakage plus Commercial Legal & Tax Advice and Employee Counselling

Target market

Our Commercial Combined product is a modular commercial insurance product. Our Commercial Combined product is designed for mid-market business and provides competitive and essential cover for; manufacturing, wholesale, engineering, retail, leisure, service sectors and property owners.

The policy is designed to enable such businesses to minimise disruption and continue to trade following impact from insured perils such as theft, flood, fire, or legal action

Types of customers for whom the product would be unsuitable

- Non-commercial customers
- Smaller risks that would be better suited to our e-traded Commercial Combined product

Any notable exclusions or circumstances where the product will not respond

- There are a number of coverage options where specific security requirements may be relevant. For further details please see the full policy wording.

Information for our distributors

This product is designed to be distributed via an intermediary on an advised basis due to the nature of the complicated risk presentation.

Distributors are expected to have considered the customer's needs and characteristics to ensure that the product and coverage selected meet their requirements. They should also consider any aspects that may make the customer be deemed vulnerable, such as poor health, resilience or capability.

Any commission, fees or charges passed onto the customer must be proportionate to the service provided and provide fair value to the customer.

Our annual review process and assessment of fair value

As part of the annual review process and fair value assessment of our Commercial Combined product we ensure that:

- We understand the value to customers in providing the products
- The products provide value for money within the market they support
- The products deliver high quality service and customer experience
- The level of sales, renewals and cancellations are in line with expectations, with no adverse trends identified
- Our products remain in line with market benchmarking and target market suitability
- Product performance is analysed, including claims and complaints data
- There are no barriers to making a claim

2025 Product Review and Fair Value Assessment Outcome

Our Commercial Combined review and fair value assessment process was completed during Q4 2025. The assessment has shown that our Commercial Combined product meets the fair value requirements under PROD 4.3.

Please see below for the outcome of the review.

VALUE PRINCIPLE	MEASUREMENTS
Understand the value to customers in providing the product	<ul style="list-style-type: none">• This product continues to address customer needs in provision of all risks, modular cover, in line with target market expectations and market benchmarking
Ensure product delivers high quality service and customer experience	<ul style="list-style-type: none">• A comprehensive review of annual claims and declinature data was analysed which indicated that performance and service were as expected with no barriers to claim• Consistent claims levels against cover sections and perils indicating key cover areas in place• Complaints analysis completed with no trends or issues identified
Ensure level of sales are in line with our & customer expectations	<ul style="list-style-type: none">• Sales of our products continue to fall in line with sales expectations with no issues highlighted• Our products demonstrate high retention rates and low cancellation rates which indicates ongoing customer satisfaction
Provide a product that offers cover that is in line with target market suitability	<ul style="list-style-type: none">• A full market comparison exercise was completed to benchmark our products and there is the opportunity to enhance the products features/limits further, which is an action for 2026

ASSESSMENT DATE: Q4 2025

NEXT ASSESSMENT DATE: Q4 2026

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